

1 **Q. Please state your name and business address.**

2 A. My name is David Njuguna, and my business address is 461 From Rd, Suite 400,
3 Paramus, New Jersey 07652.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am employed by Veolia Water M&S (Paramus), Inc. (“VWM&S”) as Manager –
6 Regulatory Business.

7 **Q. Please summarize your educational background and qualifications.**

8 A. I graduated from Kenyatta University, Nairobi, Kenya, with a Bachelor of
9 Commerce Degree in Accounting in 2000 and earned a Masters Degree in Business
10 Administration from Rutgers Business School in 2012.

11 **Q. What experience did you have prior to joining VWM&S?**

12 A. From August 2001 to July 2006, I was employed by the Union Fenosa Group, an
13 integrated energy company headquartered in Madrid, Spain, where I gained a broad
14 outlook of utility accounting. During my tenure at Union Fenosa, I held various
15 positions and my responsibilities varied depending on the title I held. As a
16 management accountant, my responsibilities included preparing, reviewing and
17 analyzing monthly divisional and consolidated financial statements and reports. As
18 a financial accountant, my responsibilities included financial analysis and
19 preparation of consolidated company budgets and financial reports.

20 **Q. When did you join VWM&S and in what capacity?**

21 A. I joined VWM&S in May 2007 as a Rate Analyst. In August 2010, I was promoted
22 to the position of Senior Rate Analyst and later promoted to the position of Manager
23 Regulatory Business in January 2016.

1 **Q. What other roles have you held while employed by VWM&S?**

2 A. From December 2012 through December 2015, I worked in the Accounting
3 Department of VWM&S as an Accounting Manager focusing on Regulatory
4 Accounting and Fixed Assets Accounting. My duties included, but were not limited
5 to, ensuring the proper accounting of deferred regulatory assets and fixed assets of
6 the Company.

7 **Q. Before what regulatory agencies have you previously presented testimony?**

8 A. I have previously filed testimony in rate case filings before the Idaho Public Utility
9 Commission, the New York State Public Service Commission, the New Jersey
10 Board of Public Utilities, the Pennsylvania Public Utility Commission, the
11 Delaware Public Service Commission and the Arkansas Public Service
12 Commission.

13 **Q. What is the purpose of your testimony in this proceeding?**

14 A. The purpose of my testimony is to describe and present the calculation of the
15 revenue deficiency and the resulting request for rate relief for Veolia Water Idaho,
16 Inc. (“Veolia Water Idaho”, “VWID” or the “Company”).

17 **Q. What Exhibits are you sponsoring?**

18 A. I am sponsoring the following Exhibits:

- 19 1. Exhibit No. 6-Capital Structure and Cost Of Debt
- 20 2. Exhibit No. 9-Statement of Operating Income
- 21 3. Exhibit No. 10, Schedule 2-Adjustment to Depreciation Expense
- 22 4. Exhibit No. 10, Schedule 4-Computation of Revenue Requirement, State and
23 Federal Income Taxes.

1 5. Exhibit No. 11, Schedule 1 through Schedule 9-Rate Base Adjustments

2 **Q. What level of increase is the Company seeking in this proceeding?**

3 A. Veolia Water Idaho is seeking a revenue increase of \$12,107,227 or 23.4% over
4 current rates for the Test Year period ending March 31, 2023 (“Test Year”). The
5 Test Year consists of a 12-month historic period ending on June 30, 2022 (“Historic
6 Test Year”) and a nine-month adjustment period ending on March 31, 2023.
7 Company Witness Thompson provides in his testimony more detail about the
8 drivers of this increase.

9 **Q. What rate of return on rate base is this rate increase based upon?**

10 A. The increase is based on an overall rate of return of 7.77% with a return on equity
11 of 10.80% requested in this proceeding, which is supported in the Direct Testimony
12 of Veolia witness Harold Walker, III.

13 **Q. Have you prepared an Exhibit No. 6 that shows the calculation of the
14 Company’s proposed overall Rate of Return of 7.77%?**

15 A. Yes. Exhibit No. 6, page 1, shows the capital structure of Veolia Water Resources
16 (“VWR”), the parent company of VWID, along with the cost of debt and the return
17 on equity. VWR’s capitalization percentages for debt and equity are 44.43% and
18 55.57%, respectively. The exhibit utilizes a 10.80% rate of return on common
19 equity and a 3.99% cost of debt. The weighted average of these components is the
20 7.77% overall requested rate of return.

21 **Q. Has the Commission previously approved the Company’s use of Veolia Water
22 Resources capital structure and cost of debt in its rate case filings?**

23 A. In Commission Order No. 28505, in Case No. UWI-W-00-1, the Commission

1 found the use of the capital structure and cost of debt for VWID's then parent
2 company United Waterworks Inc. to be reasonable for ratemaking purposes. United
3 Waterworks Inc. has since been incorporated into SUEZ Water Resources Inc.
4 which has been rebranded to Veolia Utility Resources, Inc.. The Company is
5 utilizing the capital structure of Veolia Utility Resources, Inc.

6 **Q. Have you prepared an exhibit that indicates the Test Year operating income**
7 **for the Company at existing and proposed rates?**

8 A. Yes. I have prepared Exhibit No. 9, titled "Statement of Operating Income Per
9 Books and Pro Forma under Present and Proposed Rates For The Twelve Months
10 Ending March 31, 2023".

11 Column 1 references the Exhibit Numbers (5, 6, 10 and 11) that detail the
12 adjustments to the Historic Test Year results indicated on Exhibit No. 9. Column
13 2 indicates the elements of operating income: operations and maintenance expense,
14 depreciation and amortization expense, taxes other than income and income taxes.
15 The amounts therein are per books, as shown on Exhibit No. 10, Schedules No. 1,
16 2 and 3 respectively. Column 3 of Exhibit No. 9 shows a summary of Test Year
17 adjustments made to revenues and expenses. The adjustment to operating revenue
18 shown on line 1 is detailed on Exhibit No. 5, Schedule No.2 and will be explained
19 by Company witness Michaelson. The adjustments to operation and maintenance
20 expenses, summarized on line 2, are detailed on Exhibit No. 10, Schedule 1 and are
21 supported in the testimony of Company Witnesses Cary, Wilson and Zerhouni. The
22 adjustments to depreciation expense and amortization of utility plant acquisition
23 adjustments, summarized on lines 3 and 4, are detailed in Exhibit No. 10, Schedule

1 2 and are further explained in my testimony and the testimony of Company witness
2 Zerhouni. The adjustments to operating taxes summarized on lines 6 and 7 are
3 detailed in Exhibit No. 10, Schedule 3, and are explained by Company witness
4 Cary. Column 4 of Exhibit No. 9 shows the adjusted operating income at existing
5 rates for the Test Year. Column 4 also indicates that based on the Test Year
6 adjustments made, the Company will earn a 4.59% overall rate of return on its rate
7 base investment as of March 31, 2023. Column 5 of Exhibit No. 9 shows the
8 adjustments to operating revenue, operation and maintenance expenses, and income
9 taxes under the increased rates proposed by the Company herein. The adjustment
10 to operating revenues of \$12,107,227 was computed using a 7.77% rate of return
11 on rate base as described above. Column 6 of Exhibit No. 9 calculates the adjusted
12 operating income necessary to produce the requested rate of return, 7.77%. The
13 income taxes shown on lines 11 and 12 were computed as indicated on Exhibit No.
14 10, Schedule 4, and will be explained later in my testimony.

15 **Q. Please explain the adjustments to operating expenses as shown on Exhibit No.**
16 **9.**

17 A. Operation and maintenance expenses have increased by \$4,731,018 (Exhibit No. 9,
18 line 2). These costs are supported by the testimony of Company witnesses Cary,
19 Wilson and Zerhouni. Depreciation and amortization expenses have increased by
20 \$1,212,502 (Exhibit No. 9, line 5). Property Taxes have increased by \$375,507
21 (Exhibit No. 9, line 6). Payroll taxes have increased by \$124,797 (Exhibit No. 9,
22 line 7). Federal and State income taxes are calculated based upon the revenue

1 requirement. Federal income taxes have decreased by \$2,205,760 and State income
2 taxes have increased by \$1,692,696 (Exhibit No. 9, lines 11 & 12).

3 The detailed support for adjustments to the operating expenses is shown on
4 Exhibit No. 10, Schedule 1 through 4 . Schedule 1 provides details for adjustments
5 made to operation and maintenance expenses that are explained by Company
6 Witnesses Cary, Wilson and Zerhouni. Schedule 2 provides details for adjustments
7 to depreciation and amortization expense and Schedule 3 provides details for
8 adjustments to property and payroll taxes, which are further discussed by Company
9 Witness Wilson. Exhibit No. 10, Schedule 4, provides details for adjustments to
10 State and Federal income tax expenses. Exhibit No. 10, Schedule 4, shows the
11 method I employed to compute the “Net to Gross Multiplier” utilized in this case
12 to gross up the Net Operating Income deficiency to reflect the needed revenue
13 increase.

14 **Q. Please explain Exhibit No. 10, Schedule 4.**

15 A. Exhibit No. 10, Schedule 4, Page 1 of 2, shows the calculation of State and Federal
16 income taxes at both existing and proposed rates. The amounts shown on line 1 of
17 columns 1 and 2 are the same as the amounts shown on line 10 of columns 4 and 6
18 on Exhibit No. 9. These figures represent operating income before income taxes.
19 From these figures, the applicable statutory deductions were included when
20 computing the State and Federal income taxes.

21 The first deduction is interest expense and it is deductible in the
22 computation of both State and Federal taxable income. The calculation for the

1 interest deduction is shown in Note A on lines 11 through 15. The deduction of
2 interest expense is included in the total tax deductions amount on Line 4.

3 The second deduction is the excess of pro forma tax depreciation over pro
4 forma book depreciation. The excess tax depreciation is deducted from State
5 taxable income only since State income taxes are calculated on the basis of flow-
6 through accounting, while Federal income taxes are calculated on the basis of
7 normalization accounting. Lines 23, 24 and 25 indicate the amounts used in
8 determining excess tax depreciation.

9 **Q. Please explain the adjustment shown on line 2, Column 5 of Exhibit No. 9.**

10 A. The adjustment shown on line 2, Column 5 of Exhibit No. 9 represents additional
11 uncollectible expense and IPUC assessment as a result of the pro forma adjustment
12 to operating revenue shown on line 1, Column 5 of Exhibit No. 9 as further detailed
13 out on Exhibit No. 10, Schedule 4.

14 **Q. Why is an end of the Historical Test Year rate base method or a 13-month**
15 **average rate base calculation not the most appropriate method of calculating**
16 **rate base?**

17 A. When determining a Test Year for ratemaking purposes, it is appropriate to develop
18 normalized results of financial and operational results that best reflect the
19 infrastructure costs which will be in place during the time rates will be in effect as
20 a result of a rate case filing. Adjustments to O&M expenses, taxes, other than
21 income taxes, depreciation expense etc. are calculated with the same objective. In
22 this case, utilizing an end of period rate base calculation, the rate base, depreciation
23 expense, income taxes, interest costs etc. provide for a matching of those costs to

1 the rates then in effect. The Company has therefore included in its filing a test year
2 ended March 31, 2023, which will coincide with rates will be effective in this case.
3 Utilize an end of historic period rate base or 13-month average rate base does not
4 provide for such matching and creates significant regulatory lag.

5 **Q. What is the level of rate base the Company is requesting in this proceeding?**

6 A. The Company's rate base for the test year ending March 31, 2023 is \$280,756,025.

7 **Q. Please explain Exhibit No. 11, Schedule 1.**

8 A. Exhibit No. 11, Schedule 1, Page 1 of 1, Rate Base Summary, shows the elements
9 of the Company's rate base as of March 31, 2023, using an End of Test Year
10 methodology. The elements of rate base are as follows: Utility Plant in Service;
11 Accumulated Depreciation; Customer Advances for Construction; Contributions In
12 Aid of Construction; Net Utility Plant Acquisition Adjustments; Accumulated
13 Deferred Income Taxes; Deferred Charges; Working Capital and a Regulatory
14 Liability as a result of the Tax Cuts and Jobs Act.

15 **Q. Please explain Exhibit No. 11, Schedule 2.**

16 A. Exhibit No. 11, Schedule 2, Page 1 of 1, End of Test Year Worksheet, shows the
17 monthly balances, actual and forecasted, from March 31, 2022 to March 31, 2023
18 for each the rate base component. Monthly balances are carried forward to this
19 schedule from the supporting schedules, Utility Plant In Service with Forecast
20 Additions and Retirements for (Schedule 3), Accumulated Depreciation and
21 Accumulated Contribution in Aid of Capital ("CIAC") Amortization (Schedule 4),
22 Developer Advances for Construction subject to Refund (Schedule 5),
23 Contributions in Aid of Construction (Schedule 6), Summary of Net Utility Plant

1 Acquisition Adjustments (Schedule 7). The balances at March 31, 2023 are
2 included in Exhibit 11, Schedule 1.

3 **Q. Please explain Exhibit No. 11, Schedule 3, Pages 1 through 3.**

4 A. Exhibit No. 11, Schedule 3, Pages 1 through 3, shows the Company's Utility Plant
5 balance as of June 30, 2022 by plant account. Schedule 3 then summarizes the
6 forecasted plant additions and retirements by plant account from July 2022 through
7 March 2023. Exhibit No. 3, sponsored by the Company witness Cooper, forms the
8 basis for the plant activity shown on this schedule.

9 **Q. Please explain Exhibit No. 11, Schedule 4, Page 1 of 1.**

10 A. Exhibit No.11, Schedule 4, Page 1 of 1, shows the Company's Accumulated
11 Depreciation and CIAC Amortization. The schedule shows the recorded amounts
12 for these rate base components for the months of March 2022 through June 2022.
13 For the months beginning with July 2022, the amounts for both accumulated
14 depreciation and amortization of CIAC were estimated based on the historical test
15 year, adjusted for forecasted retirements and changes to cost of removal and salvage
16 balances based on the information provided by the Company witness Cooper. The
17 End of Test Year accumulated depreciation is \$140,442,405 and amortization of
18 CIAC is \$50,825,136, for a combined total of \$191,267,542.

19 **Q. Please explain Exhibit No. 11, Schedule 5, Page 1 of 1.**

20 A. Exhibit No. 11, Schedule 5, Page 1 of 1, summarizes change to advances for
21 construction for the test year. Since the issuance of Order No. 28505 in case UWI-
22 W-00-1, the Company does not depreciate advanced property. This requires the
23 Company to accurately track, by associated plant account, all additions and refunds

1 impacting the advance account. The End of Test Year balance of advances for
2 construction is \$3,797,814.

3 **Q. Please explain Exhibit No. 11, Schedule 6, Page 1 of 1.**

4 A. Exhibit No. 11, Schedule 6, Page 1 of 1, indicates activity in CIAC during the Test
5 Year. Like advances for construction, CIAC funded assets are not depreciated for
6 rate-making purposes. The End of Test Year balance of net CIAC is \$112,913,720.

7 **Q. Please explain Exhibit No. 11, Schedule 7, Page 1 of 1.**

8 A. Exhibit No. 11, Schedule 7, Page 1 of 1, indicates the net change to the balance of
9 Utility Plant Acquisition Adjustment (UPAA). The UPAA gross balance is
10 comprised of both debit and credit balances. As shown on Schedule 7, lines 1
11 through 6, the gross value of the six individual UPAA items, all approved by the
12 Commission in various proceedings, is a positive \$600,762. As a result of the Eagle
13 Water Company Acquisition, approved by the Idaho Commission in Docket No.
14 SUZ-W-18-02, the Company was entitled to an acquisition adjustment of
15 \$10,475,000 to be included for ratemaking treatment in its next rate case, to be
16 amortized over 40 years. As of March 31, 2023 the net balance will be \$10,771,089.

17 **Q. Please explain Exhibit No. 11, Schedule 8, Page 1 of 1.**

18 A. Exhibit No. 11, Schedule 8, Page 1 of 1, indicates the composition of Accumulated
19 Deferred Income Taxes (ADIT) at the end of the Test Year. The tax depreciation
20 portion of this account was adjusted for assets in service as of March 31, 2023. The
21 balance of ADIT reduces the rate base for rate-making purposes by \$5,307,577.

1 **Q. Please explain Exhibit No. 11, Schedule 9, Page 1 of 1.**

2 A. Exhibit No. 11, Schedule 9, Page 1 of 1, identifies the deferred items the Company
3 has included in the rate base. The projected balance at March 31, 2023 is
4 \$4,933,851. Of this balance, \$3,747,454 is the net unamortized balance of deferred
5 items approved in the Company's six previous rate cases. The \$1,186,397 of new
6 deferred charges, requested for inclusion in the rate base in this proceeding, is
7 comprised of six line items. The Company is requesting a twenty-year amortization
8 for tank painting expenditures, in line with the amortization of tank painting granted
9 in case UWI-W-04-04 as well as in the stipulations to the 2006, 2009, 2011, 2015
10 and 2020 rate cases. The Company is also requesting a 2-year amortization period
11 for \$343,620 of the rate case expenses associated with this filing in addition to the
12 unamortized balance of \$62,221 from the 2020 rate case.

13 Also included in the Company's request are deferred power costs of \$
14 658,130, which the Company proposes to amortize over 2 years, along with
15 unamortized deferred power costs balance of \$411,427 from the 2020 Rate Case.
16 The Company is reflecting a \$456,680 decrease to its deferred debit account to be
17 amortized over 30 years at (\$15,223) annually. The treatment of AFUDC Equity is
18 further discussed in the testimony of Company witness Khan. The deferred debit
19 balance at March 31, 2023 is projected to be \$4,933,851.

20 **Q. Please explain Exhibit No. 11, Schedule 10, Page 1 of 1.**

21 A. Exhibit No. 11, Schedule 10, Page 1 of 1, indicates the calculation of the allowance
22 for working capital prepared by the Company using the 1/8 of Operating Expenses
23 method. The working capital allowance included in the rate base is \$3,552,571.

1 **Q. Please explain Exhibit No. 11, Schedule 11, Page 1 of 1.**

2 A. Exhibit No. 11, Schedule 11, Page 1 of 1, reflects the regulatory liability balance
3 projected at March 31, 2023 in the amount of (\$4,075,931) and is the result of the
4 Tax Cuts and Job Act, which reduced corporate income tax rate from 35% to 21%.
5 This is further explained in Company Witness Kahn's testimony and included in
6 Exhibit No. 12, Schedule 1.

7 **Q. Does this conclude your direct testimony?**

8 A. Yes.

VEOLIA WATER IDAHO
Calculation of Weighted Average Cost of Capital
Case No. VEO-W-22-02
Capital Structure and Cost of Debt of Veolia Utility Resources

Line No.	Capital Structure Component	Amount	Percentage	Cost of Source	Weighted Avg. Cost of Capital
1	Debt	\$ 1,222,046,487	44.43%	3.99%	1.77%
2	Equity	\$ 1,528,664,904	55.57%	10.80%	6.00%
3	Total	\$ 2,750,711,391	100.00%		7.77%

Case No. VEO-W-22-02
Exhibit No. 6
D.Njuguna
Page 1 of 1

**VEOLIA WATER IDAHO
STATEMENT OF OPERATING INCOME PER BOOKS AND PROFORMA UNDER
PRESENT AND PROPOSED RATES FOR THE TEST YEAR ENDING MARCH 31, 2023**

Line No.	Description	Column (1)	Column (2)	Column (3)	Column (4)	Column (5)	Column (6)
	Adjustment Reference	Per Books 06/30/22	Test Year Adjustment	Adjusted Test Year	Under Proposed Rates		
					Adjustments	Proforma	
1	Operating Revenues	Exh No.5, Sch 1	\$49,459,567	\$2,258,292	\$51,717,859	\$12,107,227 23.4%	\$63,825,086
Operating Expenses							
2	Operation & Maintenance	Exh No.10, Sch 1	17,656,607	4,731,018	22,387,625	95,570	22,483,194
3	Depreciation	Exh No.10, Sch 2	9,696,461	950,629	10,647,090	-	10,647,090
4	Amortization Of UPAA	Exh No.10, Sch 2	20,712	261,873	282,585	-	282,585
5	Total Depreciation and Amortization		9,717,173	1,212,502	10,929,675	-	10,929,675
Taxes Other Than Income							
6	Ad Valorem	Exh No.10, Sch 3	1,769,525	375,507	2,145,032	-	2,145,032
7	Payroll Taxes	Exh No.10, Sch 3	773,986	124,797	898,783	-	898,783
8	Total Taxes Other Than Income		2,543,511	500,304	3,043,815	-	3,043,815
9	Total Operating Expenses Excluding Income Taxes		29,917,291	6,443,824	36,361,115	95,570	36,456,685
10	Operating Income Before Income Taxes		19,542,276	(4,185,532)	15,356,744	12,011,657	27,368,401
Income Taxes							
11	State Income Taxes	Exh No.10, Sch 4	(1,257,899)	1,692,696	434,797	720,699	1,155,496
12	Federal Income Taxes	Exh No.10, Sch 4	4,246,014	(2,205,760)	2,040,254	2,371,101	4,411,355
13	Total Income Taxes		2,988,115	(513,064)	2,475,051	3,091,801	5,566,852
14	Utility Operating Income		\$16,554,161	(\$3,672,468)	\$12,881,693	\$8,919,857	\$21,801,550
15	Adjusted Rate Base	Exh No.11, Sch 1			<u>\$280,756,025</u>		<u>\$280,756,025</u>
16	Rate of Return on Rate Base				<u>4.59%</u>		<u>7.77%</u>
17	Required Rate of Return	Exh No.6, Page 1			<u>7.77%</u>		
18	Required Net Operating Income				<u>\$21,814,743</u>		
19	Operating Income Deficiency				<u>\$8,933,050</u>		
20	Gross Revenue Conversion Factor	Exh No.10, Sch 4			<u>1.3573</u>		
21	Revenue Deficiency less Intervenor Funding Order No. 35063)				<u>\$12,107,227</u>		

VEOLIA WATER IDAHO, INC.
Details of Adjustments to Operating and Maintenance Expenses At Present Rates
SUMMARY - Exhibit 10, Schedule 1

Historic Test Year ended June 30, 2022, as Adjusted

Witness	Line No.	Description	Schedule Adjustment No.	Account Reference	Historic Test Year Ended 06/30/2022	Normalizing Adjustments	Adjusted Historic Test Year Ended 06/30/2022	Adjustments	Test Year Ending 03/31/2023
EXHIBIT 10, Schedule 1									
J.Cary	1	Payroll	1	50100 to 50125	\$ 6,672,277		\$ 6,672,277	\$ 989,331	\$ 7,661,608
J.Cary	2	Workers Compensation (excludes reserves, adds claims payments)	2	91460	\$ (159,397) 1/	\$ 255,715	\$ 96,318	\$ 19,889	\$ 116,207
J.Cary	3	Pension Cash Contributions	3	91500, 71257 & 26310	\$ 553,030		\$ 553,030	\$ 32,766	\$ 585,796
J.Cary	4	Post-retirement Benefits Other than Pension (PBOP)	4	91550, 71258	\$ (481,247)		\$ (481,247)	\$ (42,509)	\$ (523,756)
J.Cary	5	Employee Healthcare (excludes reserves)	5	91700	\$ 2,482,907 2/	\$ (25,894)	\$ 2,457,013	\$ (353,303)	\$ 2,103,710
M.Wilson	6	Employee 401k	6	91800	\$ 384,454		\$ 384,454	\$ 71,977	\$ 456,431
M.Wilson	7	Other Employee Benefits - Tuition	7	91850	\$ 13,032		\$ 13,032	\$ 1,602	\$ 14,634
J.Cary	8	Payroll Overheads (Fringe Benefits Allocation)	8	90950 & 90953	\$ (1,547,567)		\$ (1,547,567)	\$ 81,157	\$ (1,466,411)
M.Wilson	9	Purchased Water	9	50605	\$ 378,302		\$ 378,302	\$ (61,608)	\$ 316,694
J.Cary	10	Energy- Purchased Power and Other Utilities	10	50610 & 50620	\$ 2,498,030		\$ 2,498,030	\$ 97,600	\$ 2,595,630
J.Cary	11	Chemicals (reclassification amount in Adjusted Test Year to Materials or capitalized)	11	50635	\$ 472,422 3/	\$ (36,754)	\$ 435,668	\$ 158,707	\$ 594,376
J.Cary	12	Subcontractors	12	50400	\$ 811,173		\$ 811,173	\$ 19,282	\$ 830,455
J.Cary	13	Customer Billing Expenses	13	50405	\$ 301,338		\$ 301,338	\$ 22,125	\$ 323,463
M.Wilson	14	Bad Debts (reserves booked in separate 90405 account)	14	90400 & 90405	\$ (391,803) 4/	\$ 683,545	\$ 291,742	\$ 13,321	\$ 305,063
M.Wilson	15	Materials (reclassification amount in Adjusted Test Year from Chemicals)	15	50300	\$ 278,045 5/	\$ 28,279	\$ 306,324	\$ -	\$ 306,324
M.Wilson	16	Vehicle Allocation (excludes reserves, adds claims payments)	16	50645 & 50646	\$ 832,494 6/	\$ (274,913)	\$ 557,581	\$ 467,768	\$ 1,025,350
J.Cary	17	Office Expenses	17	50650	\$ 741,917		\$ 741,917	\$ 73,730	\$ 815,647
M.Wilson	18	Advertising Expense	18	50651	\$ 217,084		\$ 217,084	\$ 10,598	\$ 227,683
M.Zerhouni	19	Management & Service Fees	19	90850	\$ 4,066,814		\$ 4,066,814	\$ 499,821	\$ 4,566,635
J.Cary	20	General Insurance (excludes reserves, adds claims payments, does not include premiums captured in M&S Fees)	20	91400 & 91450	\$ 227,124 7/	\$ (135,776)	\$ 91,348	\$ 151,177	\$ 242,524
M.Wilson	21	IPUC Fees	21	91900	\$ 97,278		\$ 97,278	\$ 5,899	\$ 103,177
J.Cary	22	Safety	22	92200	\$ 154,824		\$ 154,824	\$ 40,582	\$ 195,406
M.Zerhouni	23	Amortization Expense - Deferred Rate Case (excludes Intervenor funding)	23	92000	\$ 51,960 8/	\$ (22,092)	\$ 29,868	\$ 173,055	\$ 202,923
M.Zerhouni	24	Amortization Expense - Deferred Pension	24	92056	\$ 477,384		\$ 477,384	\$ (454,166)	\$ 23,218
M.Zerhouni	25	Amortization Expense - Deferred Tank Painting	25	92053	\$ 145,217		\$ 145,217	\$ 32,066	\$ 177,283
M.Zerhouni	26	Amortization of Excess Deferred Income Taxes	26	92059	\$ (2,207,184)		\$ (2,207,184)	\$ 2,007,184	\$ (200,000)
M.Zerhouni	27	Amortization Expense - Deferred Power	27	92061	\$ 197,484		\$ 197,484	\$ 337,294	\$ 534,778
M.Zerhouni	28	AFUDC Equity Gross Up Amortization	28	92064	\$ 39,024		\$ 39,024	\$ (8,501)	\$ 30,523
J.Cary	29	Adjustment to Variable Expenses Due to Volume Normalization	29		\$ -		\$ -	\$ (127,937)	\$ (127,937)
	30	Total Adjusted Operating & Maintenance Expenses			\$ 17,306,417	\$ 472,111	\$ 17,778,528	\$ 4,258,907	\$ 22,037,435
	31	Total Unadjusted Operating & Maintenance Expenses			\$ 350,189	\$ -	\$ -	\$ -	\$ 350,189
	32	Total Operating and Maintenance Adjustments			\$ 17,656,607	\$ 472,111	\$ 17,778,528	\$ 4,258,907	\$ 22,387,625
EXHIBIT 10, Schedule 2									
D.Njuguna	34	Adjustment to Depreciation Expense	1	70100 & 70101	\$ 9,696,461			\$ 950,629	\$ 10,647,090
M.Zerhouni	35	Amortization of Utility Plant Acquisition Adjustments (UPAA)	2	71255	\$ 20,712			\$ 261,873	\$ 282,585
	36	Total Depreciation and Amortization			\$ 9,717,173	\$ -	\$ -	\$ 1,212,502	\$ 10,929,675
EXHIBIT 10, Schedule 3									
J.Cary	37	Property Taxes	1	70203	\$ 1,769,525			\$ 375,507	\$ 2,145,032
M.Wilson	39	Payroll Taxes (combined FICA, FUI, SUI)	Pages 2, 3 & 4	70250	\$ 773,986			\$ 124,797	\$ 898,783
	40	Total Taxes Other			\$ 2,543,511	\$ -	\$ -	\$ 500,304	\$ 3,043,815
	41	Total Operating Expenses			\$ 29,917,291	\$ 472,111	\$ 17,778,528	\$ 5,971,714	\$ 36,361,115

Normalizing Adjustments:

- 1/ Workers Compensation (excludes reserves, adds claims payments GL account 26200)
- 2/ Employee Healthcare (excludes reserves)
- 3/ Chemicals (reclassification amount in Adjusted Test Year to Materials or capitalized)
- 4/ Bad Debts (reserves booked in separate 90405 account)
- 5/ Materials (reclassification amount in Adjusted Test Year)
- 6/ Vehicle Allocation (excludes reserves, adds claims payments GL account 26200)
- 7/ General Insurance (excludes reserves, adds claims payments GL account 26200, does not include premiums captured in M&S Fees)
- 8/ Rate Case Expense Amortization (excludes Intervenor funding)

Veolia Water Idaho
Calculation of Depreciation Expense
Case VEO-W-22-02

Plant Account Number	Plant Account Description	A					B	
		Gross Plant In Service			Net Depreciable Plant		Depreciation Rate	Depreciation Expense
		03/31/2023	CIAC 03/31/2023	Advances 03/31/2023	03/31/2023	03/31/2023		
301-10	Organization	\$ 103,738	\$ -	\$ (6,986)	\$ 96,752	0.00%	\$ -	
	Organization-CIAC	-	(9,878)	-	(9,878)	0.00%	-	
302-10	Franchise Rights	41,182	-	-	41,182	0.00%	-	
303-20	Land & Land Rights - Source of Supply	2,799,807	-	(387,217)	2,412,590	0.00%	-	
303-2W	Water Rights - Source of Supply	8,673,782	-	-	8,673,782	0.00%	-	
303-30	Land & Land Rights - Water Treatment	889,034	-	-	889,034	0.00%	-	
303-40	Land & Land Rights - Trans. & Distrib.	1,083,954	-	3,644	1,087,598	0.00%	-	
303-50	Land & Land Rights - General Plant	213,383	-	-	213,383	0.00%	-	
	Land and Land Rights-CIAC	-	(341,987)	-	(341,987)	0.00%	-	
304-20	Structures and Improvements - Source of Supply	8,390,436	-	(566,333)	7,824,103	2.62%	205,224	
	Str & Imprv.-Source of Supply-CIAC	-	(406,800)	-	(406,800)	2.62%	(10,670)	
304-30	Structures and Improvements - Water Treatment	15,955,847	-	-	15,955,847	2.38%	379,025	
304-40	Structures and Improvements - Trans. & Distrib.	3,299,161	-	8,485	3,307,646	2.89%	95,597	
304-50	Structures and Improvements - General Plant	6,406,267	-	-	6,406,267	2.73%	174,705	
305-20	Collecting & Impounding Reservoirs - Source of Supply	44,944	-	-	44,944	1.67%	749	
	Coll. & Impound. Reservoirs-Source of Supply-CIAC	-	-	-	-	1.67%	-	
306-20	Lake, River & Other Intakes	1,518,794	(72,696)	-	1,446,098	1.68%	24,347	
307-20	Wells & Springs	9,705,834	-	(132,638)	9,573,197	1.74%	166,217	
	Wells & Springs-CIAC	-	(1,405,459)	-	(1,405,459)	1.74%	(24,403)	
308-20	Infiltration Galleries & Tunnels	-	-	-	-	0.00%	-	
309-20	Supply Mains	3,073,139	-	(40,115)	3,033,024	1.30%	39,474	
	Supply Mains-CIAC	-	(9,391)	-	(9,391)	1.30%	(122)	
310-20	Power Generation Equipment	3,598,737	-	1,761	3,600,498	4.25%	153,188	
311-20	Power Electric Pumping Equipment - Source of Supply	19,427,660	-	(473,841)	18,953,819	4.65%	881,458	
	Electric Pump. Equip.-Source of Supply-CIAC	-	(2,598,395)	-	(2,598,395)	4.65%	(120,840)	
311-20	Power Diesel Pumping Equipment - Source of Supply	-	-	-	-	4.65%	-	
311-30	Power Pumping Equipment - Water Treatment	4,672,578	-	-	4,672,578	4.65%	217,301	
311-40	Power Pumping Equipment - Trans. & Distrib.	10,059,400	-	66,937	10,126,337	4.65%	470,931	
320-30	Water Treatment Equipment	37,011,177	-	(12,775)	36,998,402	2.62%	970,595	
320-30	Water Treatment Equipment - Membranes	1,349,394	-	-	1,349,394	0.26%	3,476	
	Water Treatment Equipment-CIAC	-	(34,619)	-	(34,619)	2.62%	(908)	
330-40	Distribution Reservoirs & Standpipes	20,042,499	-	(827,861)	19,214,638	2.13%	409,186	
	Distribution Reservoirs & Standpipes-CIAC	-	(2,108,957)	-	(2,108,957)	2.13%	(44,911)	
331-10	Trans. & Distrib. Mains & Accessories - Intangible	-	-	-	-	0.00%	-	
331-20	Trans. & Distrib. Mains & Accessories - SOS	-	-	-	-	0.00%	-	
331-40	Trans. & Distrib. Mains & Accessories	263,828,307	-	(2,135,602)	261,692,705	1.82%	4,762,807	
	T&D Mains & Accessories-CIAC	-	(117,369,703)	-	(117,369,703)	1.82%	(2,136,129)	
333-40	Services	105,731,752	-	(228,199)	105,503,553	2.19%	2,310,528	
	Services-CIAC	-	(29,346,963)	-	(29,346,963)	2.19%	(642,698)	
334-40	Meters and Meter Installations	19,138,346	-	-	19,138,346	5.36%	1,026,354	
	Meters-CIAC	-	(116,799)	-	(116,799)	5.36%	(6,264)	
335-40	Hydrants	16,061,238	-	(6,986)	16,054,252	2.47%	395,950	
	Hydrants-CIAC	-	(4,958,160)	-	(4,958,160)	2.47%	(122,284)	
336-40	Backflow Prevention Devices	-	-	-	-	0.00%	-	
339-10	Other Plant & Misc. Equipment - Intangible	-	-	-	-	0.00%	-	
339-20	Other Plant & Misc. Equipment - Source of Supply	-	-	-	-	0.00%	-	
339-30	Other Plant & Misc. Equipment - Water Treatment	-	-	-	-	0.00%	-	
339-40	Other Plant & Misc. Equipment - Trans. & Distrib.	-	-	-	-	0.00%	-	
339-50	Other Plant & Misc. Equipment - General Plant	-	-	-	-	0.00%	-	
340-500	Office Furniture and Equipment	1,249,944	-	-	1,249,944	6.67%	83,330	
340-5A0	New CIS System	-	-	-	-	0.00%	-	
340-5A0	AM / FM System	-	-	-	-	0.00%	-	
340-5H0	Computer Equipment - Hardware	379,447	-	-	379,447	20.00%	75,889	
340-5I0	IT Initiatives	-	-	-	-	20.00%	-	
340-5S0	Computer Equipment - Software	71,891	-	-	71,891	20.00%	14,378	
	Office Furniture & Equipment-CIAC	-	(393)	-	(393)	6.67%	(26)	
341-50	Transportation Equipment	1,477,354	-	-	1,477,354	9.49%	140,248	
342-50	Stores Equipment	216,241	-	-	216,241	4.76%	10,297	
343-50	Tools, Shop and Garage Equipment	1,850,880	-	-	1,850,880	5.88%	108,875	
343-50	Confined Space Monitor, Generator, Trench Shield	-	-	-	-	5.88%	-	
344-50	Laboratory Equipment	74,312	-	-	74,312	10.00%	7,431	
	Laboratory Equipment-CIAC	-	(16,847)	-	(16,847)	10.00%	(1,685)	
345-50	Power Operated Equipment	877,766	-	-	877,766	8.78%	77,063	
345-50	Power Operated Equipment	-	-	-	-	8.78%	-	
346-50	Communications Equipment	5,714,512	(120,295)	206,779	5,800,996	5.53%	320,581	
347-50	Miscellaneous Equipment	316,609	-	-	316,609	6.67%	21,107	
347-50	Miscellaneous Equipment	-	-	-	-	6.67%	-	
348-50	Other Tangible Property	1,127,408	-	-	1,127,408	2.00%	22,548	
348-50	Master Plan	2,384,343	-	-	2,384,343	10.00%	238,434	
	Amortization of Reserve Balance Difference (10 Year Period)-See Depreciation Study (SUZ-W-20-02)						90,983	
TOTAL		\$ 578,861,098	\$ (158,917,343)	\$ (4,530,948)	\$ 415,412,808		\$ 10,787,338	

Total Test Year Depreciation Expense	\$ 10,787,338
Test Year Depr booked to Transportation Expense	\$ (140,248)
Net Test Year Depreciation Expense	\$ 10,647,090
Depreciation and Amortization Recorded at June 30, 2022	9,696,461
Test Year Adjustment	\$ 950,629

VEOLIA WATER IDAHO
Case VEO-W-22-02
Computation of State and Federal Income Taxes
At Present and Proposed Rates

<u>Line No.</u>	<u>PRESENT RATES</u> <u>(1)</u>	<u>PROPOSED RATES</u> <u>(2)</u>
1.	OPERATING INCOME BEFORE INCOME TAXES	\$ 15,356,744
2	Interest Expense (A)	4,976,737
3	Excess Tax Over Book Depreciation (C)	3,133,391
4	TOTAL TAX DEDUCTIONS	8,110,128
5	Taxable Income-State	7,246,616
6	State Income Tax at 6.000%	\$ 434,797
7	Federal Taxable Income (L.1-L.2-L.6)	<u>\$ 9,945,210</u>
8	Federal Income Tax at 21%	\$ 2,088,494
9	Less: Amortization of ITC	\$ (48,240)
10	NET FEDERAL INCOME TAX EXPENSE	<u>\$ 2,040,254</u>
11	(A) CALCULATION OF INTEREST EXPENSE DEDUCTION: Pro Forma Rate Base	\$ 280,756,025
12	Debt Percentage of Capitalization	44.427%
13	Debt Portion of Rate Base	<u>124,730,248</u>
14	Debt Rate	3.99%
15	INTEREST EXPENSE	<u>\$ 4,976,737</u>
16	(B) CALCULATION OF ADJUSTMENT TO INTEREST EXPENSE: Interest Expense for the 12 months ended June 30, 2022	\$ 4,326,018
17	Allocation of Amortization of additional debt costs	<u>115,052</u>
18	Interest expense net of the amortization of additional debt costs	4,210,965
19	Direct Amortization of additional debt costs	<u>122,942</u>
20	Adjusted per books interest expense	4,333,907
21	Pro-forma interest expense based upon rate base and capital structure	<u>\$ 4,976,737</u>
22	Adjustment to Interest Expense	<u>\$ 642,830</u>
23	(C) EXCESS TAX OVER BOOK DEPRECIATION:	
24	Pro Forma Tax Depreciation	\$ 10,766,376
25	Pro Forma Book Depreciation	<u>\$ 7,632,986</u>
26	EXCESS TAX OVER BOOK DEPRECIATION (C)	<u>\$ 3,133,391</u>

VEOLIA WATER IDAHO
Case No. VEO-W-22-02
Calculation of Revenue Requirement & Net to Gross Multiplier

Rate Base	\$ 280,756,025
Required Rate of Return	7.77%
Required Net Operating Income	<u>21,814,743</u>
Adjusted Net Operating Income Realized	12,881,693
Net Operating Income Deficiency	<u>8,933,050</u>
Net To Gross Multiplier	1.3573
Gross Revenue Increase less Intervenor Funding (Order 35603)	<u>\$ 12,107,227</u>

Net Operating Income Requirement	1.0000000	\$ 12,107,227
IPUC Assessment Rate	0.0019950	
Uncollectible Accounts Expense	0.0058986	
Rate Applicable to O&M Expense & IPUC Assessment	0.0078936	\$ 95,570
State Tax Rate	0.0600000	
Effective Net State Tax Rate	0.0595264	\$ 720,699
Federal Income Tax Residual	0.0674200	
Incremental Federal Income Tax Rate	0.2100000	
Effective Federal Tax Rate	0.1958418	\$ 2,371,101
Composite:IPUC Fees, Uncollectibles & Income Taxes	0.263262	\$ 3,187,370
Composite Residual	0.736738	\$ 8,919,857
Net to Gross Multiplier	<u>1.3573</u>	<u>\$ 12,107,227</u>

**Veolia Water Idaho
Rate Case VEO-W-22-02
Rate Base Summary
For The Test Year Ending March 31, 2023**

Line No.	Rate Base Element	Exhibit 11 Schedule Reference	Basis of Calculation	Amount
1	Gross Utility Plant in Service	Schedule 3	End of Test Year	\$ 578,861,098
2	Total Accumulated Depreciation and CIAC Amortization	Schedule 4	End of Test Year	(191,267,542)
3	Net Utility Plant in Service			<u>387,593,556</u>
4	Customer Advances for Construction	Schedule 5	End of Test Year	(3,797,814)
5	Contributions in Aid of Construction (net of amortization)	Schedule 6	End of Test Year	(112,913,720)
6	Utility Plant Acquisition Adjustment Net	Schedule 7	End of Test Year	10,771,089
7	Accumulated Deferred Income Taxes	Schedule 8	End of Test Year	(5,307,577)
8	Deferred Charges Included in Rate Base	Schedule 9	End of Test Year	4,933,851
9	Working Capital Allowance	Schedule 10	End of Test Year	3,552,571
10	Regulatory Liability-New Federal Tax Law (TCJA)	Schedule 11	End of Test Year	(4,075,931)
11	Total Rate Base			<u>\$ 280,756,025</u>

Veolia Water Idaho
 Summary Rate Base Calculation
 Monthly Balance Worksheet
 Case VEO-W-22-02

Line No.	Rate Base Element	Actual Amounts				Projected Amounts								
		03/31/2022	04/30/2022	05/31/2022	06/30/2022	07/31/2022	08/31/2022	09/30/2022	10/31/2022	11/30/2022	12/31/2022	01/31/2023	02/28/2023	03/31/2023
1	Utility Plant in Service	\$ 543,931,773	\$ 547,633,749	\$ 548,809,064	\$ 553,641,392	\$ 556,909,475	\$ 558,201,890	\$ 556,339,598	\$ 559,437,531	\$ 566,901,734	\$ 570,485,467	\$ 571,495,864	\$ 572,516,963	\$ 578,861,098
2	Gross Plant In Service	543,931,773	547,633,749	548,809,064	553,641,392	556,909,475	558,201,890	556,339,598	559,437,531	566,901,734	570,485,467	571,495,864	572,516,963	578,861,098
3	Accumulated Depreciation-Utility Plant	(144,938,973)	(145,196,607)	(145,803,220)	(145,566,086)	(140,255,495)	(140,950,783)	(136,473,534)	(137,221,331)	(137,987,941)	(138,654,260)	(139,407,977)	(140,170,414)	(140,442,405)
4	Retirement Work in Progress	6,357,438	7,346,577	1,020,192	1,761,044									
5	Cost of Removal Regulatory Asset	4,351,173	4,300,631	4,416,198	4,297,636									
6	Accumulated Amortization CIAC	(47,903,375)	(48,103,191)	(48,304,172)	(48,505,888)	(48,761,717)	(49,018,004)	(49,274,823)	(49,532,172)	(49,790,014)	(50,048,425)	(50,307,177)	(50,566,043)	(50,825,136)
7	Total Accumulated Depreciation & Amortization	(182,133,737)	(181,652,589)	(188,671,003)	(188,013,295)	(189,017,212)	(189,968,787)	(185,748,357)	(186,753,503)	(187,777,955)	(188,702,685)	(189,715,154)	(190,736,457)	(191,267,542)
8	Customer Advances for Construction	(3,888,694)	(3,841,414)	(3,841,414)	(3,841,414)	(3,806,314)	(3,806,314)	(3,806,314)	(3,797,814)	(3,797,814)	(3,797,814)	(3,797,814)	(3,797,814)	(3,797,814)
9	Contributions in Aid of Construction-Net	(110,955,784)	(111,332,644)	(111,735,398)	(112,827,968)	(112,877,139)	(112,920,852)	(113,064,034)	(113,106,684)	(113,198,842)	(113,340,431)	(113,131,679)	(112,972,813)	(112,913,720)
10	Utility Plant Acquisition Adjustment (Net)	10,813,622	10,811,896	10,810,170	10,808,444	10,806,718	10,804,992	10,803,267	10,801,541	10,799,815	10,798,089	10,796,363	10,794,638	10,771,089
11	Accumulated Deferred Income Taxes	(4,021,800)	(4,137,805)	(4,255,516)	(4,355,877)	(4,461,622)	(4,567,366)	(4,673,111)	(4,778,855)	(4,884,599)	(4,990,344)	(5,096,088)	(5,201,832)	(5,307,577)
12	Deferred Charges	4,206,740	4,167,105	4,128,955	4,090,805	4,052,655	4,014,505	3,976,355	3,938,204	3,900,054	3,861,904	3,823,754	3,785,604	4,933,851
13	Working Capital	2,998,611	2,996,422	3,258,994	3,243,959	3,278,249	3,312,540	3,346,830	3,381,120	3,415,410	3,449,700	3,483,991	3,518,281	3,552,571
14	Regulatory Liability-New Federal Tax Law (TCJA)	(4,436,578)	(4,284,018)	(4,265,101)	(4,246,184)	(4,227,267)	(4,208,350)	(4,189,433)	(4,170,516)	(4,151,599)	(4,132,682)	(4,113,765)	(4,094,848)	(4,075,931)
15	Total Rate Base	\$ 260,950,732	\$ 264,644,720	\$ 258,503,853	\$ 262,746,047	\$ 264,884,811	\$ 265,070,608	\$ 267,174,234	\$ 269,121,541	\$ 275,357,803	\$ 277,763,887	\$ 277,859,237	\$ 273,811,720	\$ 280,756,025

Veolia Water Idaho
Case VEO-W-22-02
Accumulated Depreciation And Accumulated CIAC Amortization

Line No.	Description	Recorded Amounts				Forecasted Amounts								
		03/31/2022	04/30/2022	05/31/2022	06/30/2022	07/31/2022	08/31/2022	09/30/2022	10/31/2022	11/30/2022	12/31/2022	01/31/2023	02/28/2023	03/31/2023
1	Accumulated Depreciation-Recorded	\$ (134,230,362)	\$ (133,549,398)	\$ (140,366,831)	\$ (139,507,406)	\$ (817,719)	\$ (823,017)	\$ (829,211)	\$ (835,827)	\$ (845,640)	\$ (859,949)	\$ (868,548)	\$ (871,167)	\$ (881,909)
2	Incremental Depreciation					67,030	123,030	5,298,159	73,930	75,930	169,430	106,930	99,430	569,518
3	Retirements					4,300	6,400	10,000	15,800	4,800	25,900	9,600	11,000	42,100
4	Cost of Removal					(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)	(1,700)
5	Salvage													
6	Total Accumulated Depreciation	(134,230,362)	(133,549,398)	(140,366,831)	(139,507,406)	(140,255,495)	(140,950,783)	(136,473,534)	(137,221,331)	(137,987,941)	(138,654,260)	(139,407,977)	(140,170,414)	(140,442,405)
7	CIAC Amortization -Recorded	(47,903,375)	(48,103,191)	(48,304,172)	(48,505,888)									
8	Incremental CIAC Amortization					(255,829)	(256,288)	(256,818)	(257,349)	(257,842)	(258,411)	(258,752)	(258,866)	(259,093)
9	Total CIAC Amortization	\$ (47,903,375)	\$ (48,103,191)	\$ (48,304,172)	\$ (48,505,888)	\$ (48,761,717)	\$ (49,018,004)	\$ (49,274,823)	\$ (49,532,172)	\$ (49,790,014)	\$ (50,048,425)	\$ (50,307,177)	\$ (50,566,043)	\$ (50,825,136)

Veolia Water Idaho
Case VEO-W-22-02
Developer Advances for Construction Subject to Refund

Line No.	Month	Plant Account																	Monthly Balance
		30110 Organization	30320 Source of Supply and Pumping Plant: Land & Land Rights	303.40 Source of Supply T&D: Land & Land Rights	30420 Source of Supply and Pumping Plant: Structures & Improvements	30440 Source of Supply: Structures & Improvement s T&D	30720 Source of Supply and Pumping Plant: Wells & Springs	30920 Source of Supply and Pumping Plant: Supply Mains	31020.00 Source of Supply and Pumping: Power Generation Equipment	31120 Source of Supply and Pumping Plant: Pumping Equipment	31140 Source of Supply and Pumping Plant: Pumping Equipment (T&D)	32030 Water Treatment Plant: Water Treatment Equipment	33040 T & D Plant: Distribution Reservoirs & Standpipes	33140 T & D Plant: Mains	33340 T & D Plant: Services	33540 T & D Hydrants	34650 General Plant: Equipment	AIAC in CWIP	
1	Beginning Balance Jun 30, 2022	\$6,986	\$387,217	(\$3,644)	\$566,333	(\$8,485)	\$132,638	\$40,115	(\$1,761)	\$473,841	(\$23,337)	\$12,775	\$827,861	\$2,135,602	\$228,199	\$6,986	(\$206,779)	(\$733,134)	\$3,841,414
2	Jul 22 Activity										(35,100)								(35,100)
3	Jul 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(58,437)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,806,314
4	Aug 22 Activity										(8,500)								(8,500)
5	Aug 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(58,437)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,806,314
6	Sept 22 Activity																		
7	Sept 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(58,437)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,806,314
8	Oct 22 Activity										(8,500)								(8,500)
9	Oct 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
10	Nov 22 Activity																		
11	Nov 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
12	Dec 22 Activity																		
13	Dec 22 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
14	Jan 23 Activity																		
15	Jan 23 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
16	Feb 23 Activity																		
17	Feb 23 Balance	6,986	387,217	(3,644)	566,333	(8,485)	132,638	40,115	(1,761)	473,841	(66,937)	12,775	827,861	2,135,602	228,199	6,986	(206,779)	(733,134)	3,797,814
18	Mar 23 Activity																		
19	Ending Balance-March 2023	\$6,986	\$387,217	(\$3,644)	\$566,333	(\$8,485)	\$132,638	\$40,115	(\$1,761)	\$473,841	(\$66,937)	\$12,775	\$827,861	\$2,135,602	\$228,199	\$6,986	(\$206,779)	(\$733,134)	\$ 3,797,814

Veolia Water Idaho
Case VEO-W-22-02
Contributions In Aid of Construction

Line No	Month	Plant Account															Monthly Balance Gross CIAC	Monthly Balance CIAC Amortization	Net CIAC		
		30110 Organization	30320 & 40 Source of Supply and Pumping Plant and T&D Plant: Land & Land Rights	30420 Source of Supply and Pumping Plant: Structures & Improvements	30620 Source of Supply and Pumping Plant: Collecting & Impounding Reservoirs	30720 Source of Supply and Pumping Plant: Wells & Springs	30920 Source of Supply and Pumping Plant: Mains	31120 Source of Supply and Pumping Plant: Equipment	32030 Water Treatment Plant: Water Treatment	33040 T & D Plant: Distribution Reservoirs & Standpipes	33140 T & D Plant: Mains	33340 T & D Plant: Services	33440 T & D Plant: Meters & Installation	33540 T & D Plant: Hydrants	34050 General: Plant: Office Furniture & Equipment	34450 General: Plant: Laboratory Equipment				34650 Communications	CIAC IN CWIP
1	Beginning Balance-June 30, 2022	\$9,878	\$341,987	\$406,800	\$72,696	\$1,405,459	\$9,391	\$2,598,395	\$34,619	\$2,108,957	\$114,964,703	\$29,346,963	\$116,799	\$4,958,160	\$393	\$16,847	\$120,295	\$4,821,514	\$161,333,856	(\$48,505,888)	\$112,827,968
2	Jul 22 Activity										305,000								305,000		
3	Jul 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	115,269,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	161,638,856	(48,761,717)	112,877,139
4	Aug 22 Activity										300,000								300,000		
5	Aug 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	115,569,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	161,938,856	(49,018,004)	112,920,852
6	Sept 22 Activity										400,000								400,000		
7	Sept 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	115,969,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	162,338,856	(49,274,823)	113,064,034
8	Oct 22 Activity										300,000								300,000		
9	Oct 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	116,269,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	162,638,856	(49,532,172)	113,106,684
10	Nov 22 Activity										350,000								350,000		
11	Nov 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	116,619,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	162,988,856	(49,790,014)	113,198,842
12	Dec 22 Activity										400,000								400,000		
13	Dec 22 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	117,019,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	163,388,856	(50,048,425)	113,340,431
14	Jan 23 Activity										50,000								50,000		
15	Jan 23 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	117,069,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	163,438,856	(50,307,177)	113,131,679
16	Feb 23 Activity										100,000								100,000		
17	Feb 23 Balance	9,878	341,987	406,800	72,696	1,405,459	9,391	2,598,395	34,619	2,108,957	117,169,703	29,346,963	116,799	4,958,160	393	16,847	120,295	4,821,514	163,538,856	(50,566,043)	112,972,813
18	Mar 23 Activity										200,000								200,000		
19	Ending Balance-March 31, 2023	\$9,878	\$341,987	\$406,800	\$72,696	\$1,405,459	\$9,391	\$2,598,395	\$34,619	\$2,108,957	\$117,369,703	\$29,346,963	\$116,799	\$4,958,160	\$393	\$16,847	\$120,295	\$4,821,514	\$163,738,856	(\$50,825,136)	\$112,913,720

**Veolia Water Idaho
Case VEO-W-22-02
Summary of Net Utility Plant Acquisition Adjustments**

Line No.	Acquisition Description	Company Project ID	IPUC Order Month	Amortization Period	Utility Plant Acquisition Adjustment Amount	Accumulated Amortization of UPAA Through 06/30/22	Unamortized Balance at 06/30/22	Monthly Amortization Amount	
1	Warm Springs Mesa	X00009	Aug-96	20 Years	\$62,302	(\$62,302)	\$0	\$0	
2	Redwood Creek	X00010	May-95	20 Years	(110,249)	110,249	0	0	
3	Island Woods	X00011	Apr-95	20 Years	(179,675)	179,675	0	0	
4	Raintree	X00014	Sep-00	40 Years	(227,594)	124,262	(103,332)	474	
5	South County Water	X00020	Jan-99	40 Years	1,009,011	(592,815)	416,196	(2,102)	
6	Barber Water	X00027	Jan-99	40 Years	46,966	(26,386)	20,580	(98)	
7	Eagle Water	ACQ_EAGLE	XXXX	40 Years	10,475,000	0	10,475,000	(21,823)	
					\$11,075,761	(\$267,317)	\$10,808,444	(\$1,726)	Beginning 03/2023

Annual Amortization Amount **\$282,585**

Month	Monthly Amortization	Ending Balance
8 June-22		\$10,808,444
9 July-22	(1,726)	10,806,718
10 August-22	(1,726)	10,804,992
11 September-22	(1,726)	10,803,267
12 October-22	(1,726)	10,801,541
13 November-22	(1,726)	10,799,815
14 December-22	(1,726)	10,798,089
15 January-23	(1,726)	10,796,363
16 February-23	(1,726)	10,794,638
17 March-23	(23,549)	10,771,089

Veolia Water Idaho
Case VEO-W-22-02

Accumulated Deferred Income Taxes as of March 31, 2023

Line No.	Account & Description	Balance at Mar 31, 2022	Balance at Apr 30, 2022	Balance at May 31, 2022	Balance at Jun 30, 2022	Balance at Jul 31, 2022	Balance at Aug 31, 2022	Balance at Sept 30, 2022	Balance at Oct 31, 2022	Balance at Nov 30, 2022	Balance at Dec 31, 2022	Balance at Jan 31, 2023	Balance at Feb 28, 2023	Balance at Mar 31, 2023	Balance at March 31, 2023	Test Year Adjustments
1	Accumulated Deferred FIT-MACRS	\$ 2,618,914	\$ 2,689,857	\$ 2,772,323	\$ 2,799,649	2,861,324	\$ 2,922,999	\$ 2,984,674	\$ 3,046,349	\$ 3,108,024	\$ 3,169,698	\$ 3,231,373	\$ 3,293,048	\$ 3,354,723	\$ 3,354,723	\$ 555,074
2	Accumulated Deferred FIT Cost of Removal	987,536	1,003,797	1,025,512	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	1,087,689	\$ -
3	Accumulated Deferred FIT AFUDC Equity	469,744	471,625	479,013	486,719	486,719	486,719	486,719	486,719	486,719	486,719	486,719	486,719	486,719	486,719	\$ -
4	Accumulated Deferred FIT AFUDC Equity Gross Up	156,520	156,670	158,610	160,762	189,219	217,676	246,134	274,591	303,048	331,505	359,962	388,419	416,876	416,876	\$ 256,114
5	Def. FIT-Tank Painting	467,462	465,155	465,206.47	462,817	471,283	479,749	488,215	496,681	505,147	513,613	522,079	530,545	539,011	539,011	\$ 76,193
6	Def FIT - New Federal Tax Rate	(875,781)	(845,665)	(841,931)	(838,197)	(834,463)	(830,728)	(826,994)	(823,260)	(819,526)	(815,791)	(812,057)	(808,323)	(804,589)	(804,589)	\$ 33,608
7	Def FIT - Deferred Power-(Approved)	168,005	167,603	168,507	168,802	173,505	178,208	182,912	187,615	192,318	197,021	201,724	206,427	211,131	211,131	\$ 42,329
8	Def FIT- Deferred Convenience Fees	29,399	28,762	28,275	27,635	26,344	25,053	23,762	22,471	21,180	19,889	18,598	17,307	16,017	16,017	\$ (11,618)
9	Accumulated Deferred Income Taxes	\$ 4,021,800	\$ 4,137,805	\$ 4,255,516	\$ 4,355,877	\$ 4,461,622	\$ 4,567,366	\$ 4,673,111	\$ 4,778,855	\$ 4,884,599	\$ 4,990,344	\$ 5,096,088	\$ 5,201,832	\$ 5,307,577	\$ 5,307,577	\$ 951,699
10	Pro Forma Tax Depreciation-State													\$ 10,766,376		
11	Pro Forma Book Depreciation													7,632,986		
12	Excess Tax Over Book Depreciation													\$ 3,133,391		
13	State Income Tax Rate													6.00%		
14	Incremental State Deferred Income Tax													188,003		
15	Pro Forma Tax Depreciation-Federal													\$ 10,464,199		
16	Pro Forma Book Depreciation													7,632,986		
17	Excess Tax Over Book Depreciation													2,831,213		
18	Less: State Deferred Income Tax													188,003		
19	Federal Amount													2,643,210		
20	Federal Income Tax Rate													21.00%		
21	Incremental Federal Deferred Income Tax													\$ 555,074		

Veolia Water Idaho
Case VEO-W-22-02
Deferred Debits Balance Included in Rate Base

Months

Line No. Amounts Approved In Case UWI-W-04-04:

Line No.	Description	Approved Amounts	Unamortized Balance at June 30, 2022	Amortization Period in Months	Monthly Expense	Jul 21 through Mar. 23 Expense		Unamortized Balance at March 31, 2023	Unamortized Balance at Mar 31, 2022	Unamortized Balance at Apr 30, 2022	Unamortized Balance at May 31, 2022	Unamortized Balance at Jun 30, 2022	Unamortized Balance at Jul 31, 2022	Unamortized Balance at Aug 31, 2022	Unamortized Balance at Sept 30, 2022	Unamortized Balance at Oct 31, 2022	Unamortized Balance at Nov 30, 2022	Unamortized Balance at Dec 31, 2022	Unamortized Balance at Jan 31, 2023	Unamortized Balance at Feb 28, 2023	Unamortized Balance at Mar 31, 2023
1	Deferred Rents (Lakewood Well Lease)	\$ 19,090	\$ 10,028	\$ 600	\$ 46	\$ 414	\$ 9,614	\$ 10,166	\$ 10,120	\$ 10,074	\$ 10,028	\$ 9,982	\$ 9,936	\$ 9,890	\$ 9,844	\$ 9,798	\$ 9,752	\$ 9,706	\$ 9,660	\$ 9,614	
2	Deferred Tank Painting-Gowen External	39,808	7,796	240	166	1,493	6,303	8,293	8,128	7,962	7,796	7,630	7,464	7,298	7,132	6,967	6,801	6,635	6,469	6,303	
3	Deferred Tank Painting-Aeronica	21,100	4,132	240	88	791	3,341	4,396	4,308	4,220	4,132	4,044	3,956	3,869	3,781	3,693	3,605	3,517	3,429	3,341	
4	Deferred AFUDC Equity Income	696,346	564,814	360	1,934	17,409	547,405	570,617	568,683	566,748	564,814	562,880	560,945	559,011	557,077	555,143	553,208	551,274	549,340	547,405	
5	Sub Total	\$776,344	\$586,770		\$2,234	\$20,107	\$566,663	\$593,472	\$591,238	\$589,004	\$586,770	\$584,536	\$582,302	\$580,068	\$577,834	\$575,600	\$573,366	\$571,132	\$568,898	\$566,663	
Amounts Approved In Case UWI-W-06-02:																					
6	Deferred Tank Painting-Federal Reservoir	162,895	40,045	240	679	6,109	33,937	42,081	41,403	40,724	40,045	39,366	38,688	38,009	37,330	36,651	35,973	35,294	34,615	33,937	
7	Deferred AFUDC Equity Income	232,342	188,455	360	645	5,809	182,647	190,391	189,746	189,101	188,455	187,810	187,164	186,519	185,874	185,228	184,583	183,937	183,292	182,647	
8	Sub Total	\$395,237	\$228,500		\$1,324	\$11,917	\$216,583	\$232,473	\$231,149	\$229,824	\$228,500	\$227,176	\$225,852	\$224,528	\$223,204	\$221,880	\$220,556	\$219,231	\$217,907	\$216,583	
Amounts Approved In Case UWI-W-09-01:																					
9	Deferred Tank Painting-Ustick	74,183	31,517	240	309	2,782	28,735	32,444	32,135	31,826	31,517	31,208	30,899	30,589	30,280	29,971	29,662	29,353	29,044	28,735	
10	Deferred Tank Painting-Steelhead	313,493	133,325	240	1,306	11,756	121,569	137,244	135,937	134,631	133,325	132,019	130,712	129,406	128,100	126,794	125,488	124,181	122,875	121,569	
11	Deferred Tank Painting-Crestline	65,628	27,840	240	273	2,461	25,379	28,660	28,387	28,113	27,840	27,566	27,293	27,019	26,746	26,472	26,199	25,926	25,652	25,379	
12	Sub Total	\$453,304	\$192,681		\$1,889	\$16,999	\$175,682	\$198,348	\$196,459	\$194,570	\$192,681	\$190,793	\$188,904	\$187,015	\$185,126	\$183,237	\$181,349	\$179,460	\$177,571	\$175,682	
Amounts Approved In Case UWI-W-11-02:																					
13	Deferred Tank Painting-Hillcrest	230,134	119,877	240	959	8,630	111,247	122,753	121,794	120,835	119,877	118,918	117,959	117,000	116,041	115,082	114,123	113,164	112,205	111,247	
14	Sub Total	\$230,134	\$119,877		\$959	\$8,630	\$111,247	\$122,753	\$121,794	\$120,835	\$119,877	\$118,918	\$117,959	\$117,000	\$116,041	\$115,082	\$114,123	\$113,164	\$112,205	\$111,247	
Amounts Approved In Case UWI-W-15-01:																					
15	Deferred Tank Painting-Gowen Internal	208,050	149,102	240	867	7,802	141,300	151,702	150,835	149,968	149,102	148,235	147,368	146,501	145,634	144,767	143,900	143,033	142,167	141,300	
16	Deferred AFUDC Equity Income	343,736	278,808	360	955	8,593	270,214	281,672	280,717	279,763	278,808	277,853	276,898	275,943	274,989	274,034	273,079	272,124	271,169	270,214	
17	Sub Total	\$ 551,786	\$ 427,909		\$ 1,822	\$ 16,395	\$ 411,514	\$ 433,374	\$ 431,553	\$ 429,731	\$ 427,909	\$ 426,088	\$ 424,266	\$ 422,444	\$ 420,623	\$ 418,801	\$ 416,979	\$ 415,158	\$ 413,336	\$ 411,514	
Amounts Approved In Case SUZ-W-20-02:																					
18	Deferred Tank Painting-Barber Tank-Internal	338,037	318,318	240	1,408	12,676	305,642	322,544	321,135	319,727	318,318	316,910	315,501	314,093	312,684	311,276	309,867	308,459	307,050	305,642	
19	Deferred Tank Painting-Hulls Gulch Internal	1,135,161	1,068,943	240	4,730	42,569	1,026,374	1,067,862	1,078,403	1,073,673	1,068,943	1,064,213	1,059,483	1,054,753	1,050,023	1,045,294	1,040,564	1,035,834	1,031,104	1,026,374	
20	Deferred Tank Painting-Hulls Gulch External	213,330	200,886	240	889	8,000	192,886	203,552	202,664	201,775	200,886	199,997	199,108	198,219	197,330	196,441	195,553	194,664	193,775	192,886	
21	Deferred Tank Painting-Hidden Hollow (Exterior)	102,317	96,349	240	426	3,837	92,512	97,627	97,201	96,775	96,349	95,922	95,496	95,070	94,643	94,217	93,791	93,364	92,938	92,512	
22	Deferred Rate Case Expense	119,464	84,620	48	2,489	22,400	62,221	92,087	89,598	87,109	84,620	82,132	79,643	77,154	74,665	72,176	69,687	67,199	64,710	62,221	
Deferred Customer Payment Conv Fees (Order No.34405)																					
23		155,784	110,347	48	3,246	29,210	81,138	116,838	116,838	113,593	110,347	107,102	103,856	100,611	97,365	94,120	90,874	87,629	84,383	81,138	
24	Deferred AFUDC Equity Income	99,951	96,064	360	278	2,499	93,565	96,897	96,619	96,342	96,064	95,786	95,509	95,231	94,953	94,676	94,398	94,120	93,843	93,565	
25	Deferred Power Costs	789,940	559,541	48	16,457	148,114	411,427	608,912	592,455	575,998	559,541	543,084	526,627	510,170	493,713	477,255	460,798	444,341	427,884	411,427	
26	Sub Total	\$ 2,953,984	\$ 2,535,067		\$ 29,923	\$ 269,303	\$ 2,265,764	\$ 2,626,319	\$ 2,594,913	\$ 2,564,990	\$ 2,535,067	\$ 2,505,145	\$ 2,475,222	\$ 2,445,300	\$ 2,415,377	\$ 2,385,455	\$ 2,355,532	\$ 2,325,609	\$ 2,295,687	\$ 2,265,764	
Proposed Amortization Schedule:																					
Line No.	Description	New Items Proposed in Current Case	Proposed Amortization Period in Months	Proposed Monthly Expense	Proposed Annual Expense	Unamortized Balance at March 31, 2023	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	New Items Proposed in Current Case	
27	Deferred Tank Painting-Broken Horn	65,239	240	272	3,262	65,239	0	0	0	0	0	0	0	0	0	0	0	0	0	0	65,239
28	Deferred Tank Painting-Columbia	126,088	240	525	6,304	126,088	0	0	0	0	0	0	0	0	0	0	0	0	0	0	126,088
29	Deferred Tank Painting-Hidden Hollow (Interior)	450,000	240	1,875	22,500	450,000	0	0	0	0	0	0	0	0	0	0	0	0	0	0	450,000
30	Deferred Rate Case Expense	343,620	24	16,910	202,920	343,620	0	0	0	0	0	0	0	0	0	0	0	0	0	0	343,620
31	Deferred AFUDC Equity Income	(456,680)	360	(1,269)	(15,223)	(456,680)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(456,680)
32	Deferred Power Costs	658,130	24	54,565	534,779	658,130	0	0	0	0	0	0	0	0	0	0	0	0	0	0	658,130
33	Sub Total	\$1,186,397		\$62,879	\$764,543	\$1,186,397	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,186,397
34	Grand Total	\$5,277,202		\$101,029	\$1,097,894	\$4,933,851	\$4,206,740	\$4,167,105	\$4,128,955	\$4,090,805	\$4,052,655	\$4,014,505	\$3,976,355	\$3,938,204	\$3,900,054	\$3,861,904	\$3,823,754	\$3,785,604	\$3,747,454	\$3,709,304	\$4,933,851

Veolia Water Idaho
Case No. VEO-W-22-02
Working Capital Calculation

Line No.	Description	Working Capital Calculation												Test Year		
		Working Capital : 03/31/2022	Working Capital : 04/30/2022	Working Capital : 05/31/2022	Working Capital : 06/30/2022	Working Capital : 07/31/2022	Working Capital : 08/31/2022	Working Capital : 09/30/2022	Working Capital : 10/31/2022	Working Capital : 11/30/2022	Working Capital : 12/31/2022	Working Capital : 01/31/2023	Working Capital : 02/28/2023	Working Capital : 03/31/2023	Working Capital : 03/31/2023	Adjustment
1	Total Operating & Maintenance Expense	\$ 15,617,772	\$ 15,483,789	\$ 17,611,086	\$ 17,656,607										\$ 22,387,625	\$ 4,731,018
	Adjustments:															
2	Amortization-Deferred Rate Case Expenses	49,471	51,960	51,960	51,960										202,923	150,963
3	Amortization-Deferred Relocation	-	-	-	-										-	-
4	Amortization-Deferred Tank Painting	137,763	145,217	145,217	145,217										177,283	32,066
5	Amortization-Deferred Pension	437,602	477,384	477,384	477,384										23,218	(454,166)
6	Amortization-Deferred Power	181,027	197,484	197,484	197,484										534,778	337,294
7	Amortization-Deferred AFUDC Equity Gross U;	41,551	40,792	39,758	39,758										30,523	(9,235)
8	Amortization-Deferred Customer Payment Convenience Fees	35,695	38,940	38,940	38,940										38,940	-
9	Amortization-Deferred TCJA	(2,386,285)	(2,603,220)	(2,405,202)	(2,405,202)										(200,000)	2,205,202
10	Total Adjustments	1,503,176	1,651,444	1,454,459	1,454,459										(807,664)	(2,262,124)
11	Total Expense for CWC Allowance	17,120,949	17,135,233	19,065,545	19,111,066										21,579,960	2,468,894
12	Cash Working Capital Allowance %	12.50%	12.50%	12.50%	12.50%										12.50%	12.50%
13	Cash Working Capital Allowance	2,140,119	2,141,904	2,383,193	2,388,883										2,697,495	308,612
14	Materials and Supplies	748,442	761,794	800,404	797,006										797,006	-
15	Prepayments	110,051	92,724	75,397	58,070										58,070	-
16	Total Working Capital	<u>\$ 2,998,611</u>	<u>\$ 2,996,422</u>	<u>\$ 3,258,994</u>	<u>\$ 3,243,959</u>	<u>\$ 3,278,249</u>	<u>\$ 3,312,540</u>	<u>\$ 3,346,830</u>	<u>\$ 3,381,120</u>	<u>\$ 3,415,410</u>	<u>\$ 3,449,700</u>	<u>\$ 3,483,991</u>	<u>\$ 3,518,281</u>	<u>\$ 3,552,571</u>	<u>\$ 3,552,571</u>	<u>\$ 308,612</u>

Note:
Change in Working Capital assumed to occur evenly over the projected 9 months to March 2023

Veolia Water Idaho
Case VEO-W-22-02
Regulatory Liability-New Federal Tax Law as of March 31, 2023

Line No.	Account & Description	Actual	Actual	Actual	Actual	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	Forecasted	
		Balance at Mar 31, 2022	Balance at Apr 30, 2022	Balance at May 31, 2022	Balance at June 30, 2022	Balance at Jul 30, 2022	Balance at Aug 31, 2022	Balance at Sept 30, 2022	Balance at Oct 31, 2022	Balance at Nov 30, 2022	Balance at Dec 31, 2022	Balance at Jan 31, 2023	Balance at Feb 28, 2023	Balance at Mar 31, 2023
1	Regulatory Liability-New Federal Tax Law (TCJA)	(4,436,578)	(4,284,018)	(4,265,101)	(4,246,184)	(4,227,267)	(4,208,350)	(4,189,433)	(4,170,516)	(4,151,599)	(4,132,682)	(4,113,765)	(4,094,848)	(4,075,931)
2	Total	<u>(\$4,436,578)</u>	<u>(\$4,284,018)</u>	<u>(\$4,265,101)</u>	<u>(\$4,246,184)</u>	<u>(\$4,227,267)</u>	<u>(\$4,208,350)</u>	<u>(\$4,189,433)</u>	<u>(\$4,170,516)</u>	<u>(\$4,151,599)</u>	<u>(\$4,132,682)</u>	<u>(\$4,113,765)</u>	<u>(\$4,094,848)</u>	<u>(\$4,075,931)</u>
3	Deferred Federal Income Taxes	\$ (875,781)	\$ (845,665)	\$ (841,931)	\$ (838,197)	\$ (834,463)	\$ (830,728)	\$ (826,994)	\$ (823,260)	\$ (819,526)	\$ (815,791)	\$ (812,057)	\$ (808,323)	\$ (804,589)

Note:

[1] Refer to Exhibit 12 sponsored by Witness M. Kahn